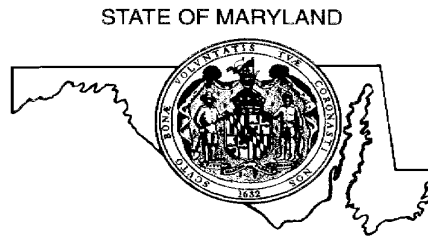


Craig P. Tanio, M.D.
CHAIR



Ben Steffen
EXECUTIVE DIRECTOR

MARYLAND HEALTH CARE COMMISSION

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Thursday, June 19, 2014

Minutes

Chairman Tanio called the meeting to order at 1:10 p.m.

Commissioners present: Barr, Conway, Falcone, Fleig, Fronstin, McLean, Phillips, Schneider, and Stollenwerk. Commissioners Kan, McHale, Montgomery, and Peralta participated via telephone.

Chairman Tanio recognized Reverend Conway, noting that he has completed his service with the Commission. He noted that throughout his service, Reverend Conway exemplified the impartial and unbiased Commissioner whose first devotion is to the best interests of Maryland residents. On behalf of the Commissioners and staff, Chairman Tanio thanked Commissioner and Mrs. Conway. Reverend Conway expressed his thanks to the Commissioners and staff for the good work they do for the people of Maryland and noted how much he had enjoyed serving on the Commission.

Chairman Tanio also congratulated and thanked Larry Monroe after 40 years of State service. He said Larry will be leaving the Commission, and will continue his very successful involvement in youth sports and the Amateur Athletic Union.

ITEM 1.

Approval of the Minutes

Commissioner Fleig made a motion to approve the minutes of the May 15th public meeting of the Commission, which was seconded by Commissioner Phillips and unanimously approved.

ITEM 2.

Update of Activities

David Sharp, Director of the Center for Health Information and Innovative Care Delivery, reported that on May 22nd, CMS released the Cooperative Agreement funding announcement for the second round of awards for the State Innovation Models (SIM) program. He noted that SIM

is based on the premise that State innovation with broad stakeholder input and engagement will accelerate the health care delivery system's transformation to provide better quality care at lower costs. He said that staff is collaborating with DHMH on sections of the application, which is due on July 21st. As part of his update, he also noted that changes recommended by the Attorney General's Office to the online advance directive registry available through CRISP have been implemented.

Linda Cole, Chief of Long-Term Care Policy and Planning, provided an update regarding the Hospital Palliative Care Pilot Project. Ms. Cole said that staff requested approval of the final section of participating hospitals at the April public meeting of the Commission. After meetings to discuss how to implement data collection at each hospital, it was determined that Gilchrist Hospice, which manages the palliative care program at both GBMC and Howard County General Hospital, had intended that both hospitals be included in its initial application. Therefore, staff requested that Howard County General Hospital be added to the Commission's pilot hospital group, bringing the total number of hospitals to eleven.

Bruce Kozlowski, Co-Director of the Center for Quality Measurement and Reporting, provided an update related to hospice quality measurement and reporting.

ITEM 3.

ACTION: Certificate of Need: Capital Hospice, Inc. d/b/a Capital Caring (Docket No. 13-16-2343)

Capital Hospice, Inc. sought a Certificate of Need to establish a seven-bed inpatient hospice unit in Prince George's County. Chairman Tanio first noted that there would not be an exceptions hearing because, while Hospice of the Chesapeake had been granted interested party status by Commissioner Glenn Schneider, who served as the reviewer of the application, no exceptions were taken to the Recommended Decision. Commissioner Schneider then spoke about his proposed decision, noting that he had carefully considered the concerns expressed by Hospice of the Chesapeake. He pointed out that the Capital Caring's inpatient hospice unit, if approved by the Commission, would be the first dedicated inpatient hospice unit in Prince George's County. Commissioner Schneider noted that Prince George's County has a very low use rate of general hospice services, and stated his belief that, with outreach and education by existing hospices in the county, the use rate of general hospice services would increase – and, with it, the use rate of inpatient hospice services. Commissioner Schneider moved that the Commission adopt his Recommended Decision and grant a Certificate of Need for the project. The motion was seconded by Commissioner Barr and unanimously approved. Commissioner McHale recused himself from consideration of this matter.

ACTION: Certificate of Need: Capital Hospice, Inc. d/b/a Capital Caring (Docket No. 13-16-2343) is hereby APPROVED.

ITEM 4.

PRESENTATION: Small Group Market Summary of Carrier Experience as of December 31, 2013

Janet Ennis, Chief of Special Projects, presented the findings of surveys submitted by participating carriers in the small group market as of December 31, 2013. The presentation

included information on enrollment by groups, the overall number of covered lives, the types of policies purchased, the average age of the employees enrolled in this market, and average premiums. Ms. Ennis noted that the small group participation continues to slowly decline. She then reported on the average premiums for the various plan types, noting that the premiums overall showed modest increases. Ms. Ennis said that premiums as percent of average wages are rising, due to slow wage growth and continuing premium growth. She also noted that carrier participation in the small group will increase by one carrier owing to Evergreen, the COOP plan, entering the small group market in 2014. Commissioner McLean asked if the Exchange would be monitoring the affordability cap. She noted that the CSHBP without riders was at 108% of the affordability cap of \$5,404 in 2013. Ms. Ennis responded that the affordability cap would no longer apply in 2014; however, an employee could receive a waiver from purchasing group coverage if the individual demonstrated that the cost of self-only coverage exceeded 9.5% of the person's household income. In that situation, the individual would be eligible to purchase coverage and receive subsidies through the Individual Exchange.

ITEM 5.

UPDATE: Changes to the Small Business Health Options Program (SHOP)

Michelle Eberle, Executive Director of the Maryland Health Insurance Program and a Senior Staff member of the Health Benefit Exchange, provided an outline of the plans for launching the SHOP for 2015 enrollments. Ms. Eberle reviewed the recommendations that Audacious Inquiry submitted to the Maryland Health Benefit Exchange Board in May. Ms. Eberle stated that the Board voted to move forward with plans to develop an RFP that would lead to an award to one or more TPAs to develop SHOP applications. Ms. Eberle explained that if multiple TPAs supported SHOP, then there would be no risk of a single vendor locking up the market. Multiple awards would encourage a larger broker buy-in. She concluded that the Board would carefully review applications and any respondent would have to meet a minimum set of standards. She noted that the Exchange is not guaranteeing multiple TPAs will operate SHOP applications, only that the Exchange will consider multiple applications, if each TPA met SHOP standards.

ITEM 6.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:10 p.m. upon motion of Commissioner Fleig, which was seconded by Commissioner Phillips and unanimously approved.